received based on the reports submitted for that fiscal year. If adjustments to the estimate made under paragraph (c)(1) of this section are necessary, the State's IV-A grant award will be reduced or increased because of over- or under-estimates for prior quarters and for other adjustments.

- (4) For FY 1985, the Office will calculate a State's incentive payment based on title IV-A collections retained by the State and paid to the family under §302.51(b)(1) of this chapter.
- (5) For FY 1986 and 1987, a State will receive the higher of the amount due it under the incentive system and Federal matching rate in effect as of FY 1986 or 80 percent of what it would have received under the incentive system and Federal matching rate in effect during FY 1985.

[54 FR 32312, Aug. 4, 1989, as amended at 56 FR 8005, Feb. 26, 1991; 64 FR 6252, Feb. 9, 1999]

§ 304.15 Cost allocation.

A State agency in support of its claims under title IV-D of the Social Security Act must have an approved cost allocation plan on file with the Department in accordance with the requirements contained in Subpart E of 45 CFR part 95. Subpart E also sets forth the effect on FFP if the requirements contained in that subpart are not met.

[47 FR 17509, Apr. 23, 1982]

§ 304.20 Availability and rate of Federal financial participation.

- (a) Federal financial participation at the applicable matching rate is available for:
- (1) Necessary expenditures under the State title IV-D plan for the support enforcement services and activities specified in this section and §304.21 provided to individuals from whom an assignment of support rights as defined in §301.1 of this chapter has been obtained:
- (2) Parent locator services for individuals eligible pursuant to §302.33 of this title;
- (3) Paternity and support services under the State plan for individuals eligible pursuant to §302.33 of this chapter.

- (b) Services and activities for which Federal financial participation will be available shall be those made pursuant to the approved title IV-D State plan which are determined by the Secretary to be necessary expenditures properly attributable to the Child Support Enforcement program, except any expenditure incurred in providing location services to individuals listed in §302.35(c)(4) of this title, including the following:
- (1) The administration of the State Child Support Enforcement program, including but not limited to the following:
- (i) The establishment and administration of the State plan;
- (ii) Monitoring the progress of program development and operations and evaluating the quality, efficiency, effectiveness and scope of support enforcement services available in each political subdivision:
- (iii) The establishment of all necessary agreements with other State and local agencies or private providers for the provision of services in support of support enforcement in accordance with the Procurement Standards found in 45 CFR 74.40 et seq. These agreements may include:
- (A) Necessary administrative agreements for support services;
- (B) Utilization of State and local information resources;
- (C) Cooperation with courts and law enforcement officials, and Indian Tribes or Tribal organizations pursuant to §302.34 of this chapter;
- (iv) Securing compliance with the requirements of the State plan in operations under any agreements;
- (v) The development and maintenance of systems for fiscal and program records and reports required to be made to the Office based on these records:
- (vi) The development of a cost allocation system pursuant to §304.15 of this chapter;
- (vii) The financial control of the State plan including the administration of Federal grants pursuant to §301.15 of this chapter;
- (viii) The establishment of agreements with agencies administering the State's title IV-A and IV-E plans in order to establish criteria for: